



Patent

Attorney Docket No. **Old:** GEM-30890

New: GEMS8081.028

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of : SINGH, Vikram et al.
Serial No. : 09/468,752
Filed : December 21, 1999
For : **Method and Apparatus for Screening a
Potential Customer and Assigning an
Account Number to the Potential
Customer Across a Global Computer
Network**
Group Art No. : 3627
Examiner : Andrew J. Rudy

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GROUP 3600

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SUPPLEMENTAL APPEAL BRIEF
PURSUANT TO 37 C.F.R. §§1.191 AND 1.192

Dear Sir:

This Supplemental Appeal Brief is being filed pursuant to 37 CFR 1.193(b)(2)(ii) and in furtherance to the Notice of Appeal mailed to the U.S. Patent & Trademark Office

on March 3, 2003. Furthermore, this Supplemental Appeal Brief incorporates herein the relevant portions of the Appeal Brief filed July 7, 2003.

1. **REAL PARTY IN INTEREST**

The real party in interest is General Electric Company, the Assignee of the above-referenced application by virtue of the Assignment to General Electric Company recorded on April 14, 2000, at reel 010709, frame 0724.

2. **RELATED APPEALS AND INTERFERENCES**

Appellant filed an Appeal Brief on July 7, 2003. Responsive thereto, the Examiner withdrew the previous rejection thereby indicating the allowability of claims 1-23 over both Hinh et al. (USP App. Pub. No. 2001/0042026) and Westrope et al. (USP 5,968,110). The Examiner re-opened prosecution and rejected claims 1-23 under 35 U.S.C. §103(a) as being unpatentable over a single reference, one that previously was not considered: de Prins (USP 4,866,661). As such, Appellant hereby presents this Supplemental Appeal Brief in accordance with MPEP §1208.02.

The undersigned is Appellant's legal representative in this Appeal. General Electric Company, the Assignee of the above-referenced application, as evidenced by the documents mentioned above, will be directly affected by the Board's decision in the pending appeal.

3. **STATUS OF THE CLAIMS**

Claims 1-23 are currently pending, and claims 1-23 are currently under final rejection and, thus, are the subject of this appeal.

4. **STATUS OF AMENDMENTS**

The Appellant has not submitted any amendments subsequent to the Non-Final Office Action mailed September 16, 2003.

5. **SUMMARY OF THE INVENTION AND OF THE DISCLOSED EMBODIMENTS**

Incorporated herein by reference from the Appeal Brief filed July 7, 2003.

6. **ISSUES**

New Issue No. 1:

Whether claims 1-23 are unpatentable under 35 U.S.C. §103 over de Prins (USP 4,866,661).

7. **GROUPING OF CLAIMS**

The claims of the groups do not all stand or fall together. Claims 1-23 stand or fall independently.

8. **ARGUMENT**

As discussed in detail below, the Examiner has improperly rejected the pending claims. The Examiner has misapplied long-standing and binding legal precedents and principles in rejecting the claims under Section 103(a). Accordingly, Appellant respectfully requests full, favorable consideration by the Board, and ultimate allowance of claims 1-23 as Appellant believes that claims 1-23 are currently in condition for allowance.

Claims 1-23 were rejected under 35 U.S.C. §103(a) as being unpatentable over a single reference, de Prins. The Examiner has grouped all pending claims together in one group. However, claims 1-23 are patentable because the Examiner has failed to establish a *prima facie* case of obviousness. Furthermore, claims 1-23 do not necessarily stand or fall together because, as will be shown below, claims 1-23 include subject matter that is believed patentably distinct from the art of record. Accordingly, Appellant respectfully believes that claims 1-23 must be reviewed independently to decide the appeal.

The burden of establishing a *prima facie* case of obviousness falls on the Examiner. MPEP §2142. To establish a *prima facie* case, the Examiner must not only show that the reference teaches or suggests each and every element of the claimed invention, but also provide "a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." MPEP §2142 quoting *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). The Examiner has failed to show that de Prins teaches or suggests each and every element of the claimed invention. Furthermore, the Examiner has failed to provide a convincing line of reasoning as to why one of ordinary skill in the art would have found the claimed invention obvious in light of the teachings of the references. The Examiner's rejection is insufficient to meet any of these requirements.

The substance of the Examiner's rejection of claims 1-23 consisted of only two paragraphs. Specifically, in the Office Action mailed on September 16, 2003, the Examiner stated that:

De Prins discloses a method of screening a potential customer over a computer network comprising the steps of providing a user interface 224 to enter customer data, e.g. col. 50, lines 1-12, performing initial screening 2710 and assigning an account number (PIN) thereby allowing access to an automated seller facility that may restrict the type of product available, e.g. cols. 12-13, lines 65-3. The data may be periodically updated to perform a complete screening 2722 to allow further access to the automated seller facility. de Prins does not disclose making an offer to purchase products/services from the automated seller facility.

Official Notice is taken that it is common knowledge to provide for automated contracts comprising offers/acceptances over a computer network.

Office Action of September, 2003, p. 2, ¶¶ 3 and 4.

Appellant respectfully believes the Examiner's rejection falls drastically short of that which is required to establish a *prima facie* case of obviousness. Appellant believes the Examiner's Office Notice is both improper and unsustainable. Furthermore, Appellant will show that the Examiner has failed to establish a *prima facie* case of obviousness by addressing, in detail, the elements of each and every claim.

Official Notice

The Examiner acknowledged that "de Prins does not disclose making an offer to purchase product/services from the automated seller facility." Office Action of September 16, 2003, pg. 2, ¶ 4. As stated, the Examiner took Official Notice that it is well known to "provide for automated contracts comprising offers/acceptances over a computer network." *Id.* The Examiner then concluded, that "[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art." *Id.* at pg. 3, ¶ 1. Furthermore, the Examiner concluded that "[d]oing such would incorporate the common knowledge offer/acceptance business transaction criteria used throughout the commercial business universe." *Id.* The Examiner made this conclusion without any support or evidence in accord with the statement. Therefore, in effect, the Examiner not only took Official Notice that it is well known to "provide for automated contracts comprising offers/acceptances over a computer network" but also that "[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art." *Id.*

Official Notice Inappropriate Under MPEP §2144.03

The Examiner's application of Official Notice is inappropriate under the procedures set forth in the Manual of Patent Examination and Procedure (MPEP). "The Examiner may take Official Notice of facts outside of the record which are capable of instant and unquestionable demonstration as being 'well-known' in the art." MPEP § 2144.03. However, MPEP § 2144.03 is clear that "such rejections [relying on official notice] should be judiciously applied," be "rare," and be used "[i]n limited circumstances." Nevertheless, the Official Notice taken in the Office Action of September 16, 2003, was at least the second instance of Official Notice taken in the prosecution of the claimed invention.

In the Office Action mailed December 3, 2002, the Examiner took Official Notice that it is well known to prescreen before receiving a credit application. pg. 3, ¶ 4. Then, as previously shown, in the Office Action mailed September 16, 2003, the Examiner affirmatively took Official Notice that it is well known to "provide for automated contracts comprising offers/acceptances over a computer network." Appellant believes the Examiner's use of Official Notice is improper.

Simply, "any facts so noticed should be of notorious character and serve only to 'fill in the gaps' in an insubstantial manner which might exist in the evidentiary showing made by the Examiner to support a particular ground for rejection." MPEP § 2144.03. Appellant does not believe that the Examiner's use of Official Notice is merely to "fill in the gaps." That is, "automated contracts comprising offers/acceptances over a computer network" is a substantial concern of the claimed invention in that the claimed method and apparatus for screening potential customers is directed to achieving such an automated sales contract. It is apparent that "automated contracts comprising offers/acceptances over a computer network" is far from an ancillary "gap" that the Examiner is attempting to "fill." Rather, the Examiner is reaching far beyond the scope of appropriate use of Official Notice.

The Examiner's application of Official Notice is particularly inappropriate when it is considered that the Examiner provided no support for the conclusion that "[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art." Office Action of September 16, 2003, at pg. 3,

¶ 1. That is, in the Office Action of September 16, 2003, the Examiner effectively took a first Official Notice that it is well known to “provide for automated contracts comprising offers/acceptances over a computer network” and a second Official Notice that “[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art.” *Id.* at pg. 2, ¶ 4 and pg. 3, ¶ 1. Therefore, in a single Action, the Examiner effectively took two Official Notices. This is clearly improper under MPEP § 2144.03.

As such, it is readily apparent that the Examiner’s use of Official Notice is far from “rare.” In fact, in a review of another case similarly situated, the Examiner applied the same type of rejection, relying on Official Notice. In application serial no. 09/468,403, which is also under appeal in the same art unit, the same Examiner withdrew all pending rejections after Applicant submitted its Appeal Brief, and similarly entered a new §103 rejection, and relied on Office Notice in an attempt to substantiate the rejection. Additionally, it is clear that Official Notice has not been “judiciously applied” to merely “fill in the gaps.” Furthermore, Appellant questions the policy behind repeatedly relying on rejections requiring Official Notice. Particularly, Appellant questions the policy of removing the case from appeal merely to substitute a new rejection based on Official Notice for a previous basis of rejection that also included Official Notice. It appears that Art Unit 3627 may be effectuating a policy of prolonging prosecution through unsubstantiated and unsupportable rejections. This is entirely inappropriate and inconsistent with the MPEP, C.F.R., U.S.C., substantive case law, and public policy. Appellant respectfully requests that the Examiner either allow the case or allow it to proceed through the appeal process by filing a reply brief.

Official Notice Traversed

The Examiner must “cite a reference in support of his or her position” should the Appellant traverse the assertion. MPEP § 2144.03. Furthermore, “[i]t is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based.” MPEP §2144.03 citing *In re Zurko*, 258 F.3d 1379, 1385, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001). In the case at hand, Appellant disagrees with the Examiner’s assertions, but to continue prosecution at the Examiner level appears to be a fruitless endeavor and never-

ending saga. In the current rejection, the Examiner has not shown that “automated contracts comprising offers/acceptances over a computer network” were “well known” at the time the invention was made. “The requirement ‘at the time the invention was made’ is to avoid impermissible hindsight.” MPEP § 2141.01. Nevertheless, Appellant believes the Examiner’s Official Notice is clearly an application of impermissible hindsight.

That is, the claimed invention was filed December 21, 1999. Therefore, the Examiner must show that it was well known before December 21, 1999, to provide automated contracts comprising offers/acceptances over a computer network. Furthermore, the Examiner stated that “[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art.” Office Action of September 16, 2003, pg. 3, ¶ 1. Therefore, the Examiner has asserted that to provide automated contracts comprising offers/acceptances over a computer network to contract for the purchase of products/services as claimed was “well known” prior to December 21, 1999.

Appellant does not believe that “automated contracts comprising offers/acceptances over a computer network”, as claimed, were well known prior to the time of the claimed invention. Appellant believes the Examiner is using improper hindsight and/or the teachings of 2003 to improperly take Official Notice. Furthermore, de Prins describes a system “for the sale or rental of any type of high priced item that can be contained in the locked cabinets.” Col. 12, lns. 38-40. Appellant believes that as of December 21, 1999, automated contracting sales or rental of such “high priced items” was not “well known” and the Examiner has not provided any evidence to support a conclusion otherwise.

Specifically, de Prins is drawn to “computer controlled rental and sales systems for video movies and video cassette players for supermarkets and the like.” Col. 1, lns. 10-13. That is, de Prins is particularly directed to traditional, local, supermarket-like sales. The teachings of de Prins are simply not consistent with the Examiner’s conclusions. Furthermore, Appellant does not believe that as of December 21, 1999, it was “well known” to provide “automated contracts comprising offers/acceptances over a computer network” for “computer controlled rental and sales systems for video movies and video cassette players for supermarkets and the like.” *Id.* The lack of any teaching or

suggestion by de Prins is evidence of such. Therefore, the Examiner's conclusion that "[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art" is inconsistent and improper. See Office Action of September 16, 2003, pg. 3, ¶ 1.

For all of the above reasons, Appellant believes the Examiner's use of Official Notice is improper and is thereby traversed. Accordingly, no sustainable basis for rejection remains and claims 1-23 should be deemed to be in condition for allowance.

Rejection of Claims Under § 103(a)

Beyond the fact that the Examiner's use of Official Notice is improper under MPEP § 2144.03 and is traversed, the Examiner has not established a *prima facie* case of obviousness. The Examiner did not address the specific limitations of the dependent claims and, therefore, did not establish a *prima facie* case for obviousness. The Examiner must not only show that the reference teaches or suggests each and every element of the claimed invention, but also provide "a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." MPEP §2142 quoting Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). The Examiner has failed to meet this burden.

Independent Claim 1

Regarding claim 1, the Examiner did not demonstrate that the reference teaches or suggests each and every element of the claimed invention. In the Office Action of September 16, 2003, the Examiner did not provide a detailed analysis of how the Examiner believed de Prins teaches or suggests each and every element of the claims. Rather, the Examiner provided a blanket statement directed to claims 1-23 as a whole. The short statement made by the Examiner not only falls short of addressing the elements of claims 1-23, but even fails to address the elements of the first independent claim. As such, the Examiner has failed to establish a *prima facie* case of obviousness as required under MPEP §2143.

Nevertheless, regardless of the insufficiencies of the Examiner's rejection, de Prins does not teach or suggest each and every element of the claims. Claim 1, in part,

calls for potential customer access to take place over a computer network. The Examiner entirely failed to address this element of the claim.

Similarly, claim 1, in part, calls for “allowing the potential customer further access to the automated seller facility to make an offer to purchase products/services from the automated seller facility while the automated seller facility performs a complete screening.” The Examiner entirely failed to address this element of the claim. Specifically, beyond the fact that de Prins does not teach offers to purchase and, as previously shown, the Examiner’s Official Notice is insufficient, the Examiner has failed to show where de Prins teaches or suggests that a second complete screening occurs while the potential customer makes an offer to purchase. That is, the Examiner’s rejection ignored that access to the automated seller facility occurs simultaneously with the complete screening.

Furthermore, the Examiner has not provided “a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references.” MPEP § 2142. Rather, the Examiner summarily stated that “[t]o have provided an automated offer to purchase products/services for de Prins would have been obvious to one of ordinary skill in the art.” See Office Action of September 16, 2003, pg. 3, ¶ 1. This conclusory statement is clearly improper under MPEP §2142.

For all of the reasons stated above, Appellant believes claim 1 is patentably distinct over the cited reference. Appellant believes claims 2-11 are in condition for allowance at least pursuant to the chain of dependency. However, since Appellant believes claims 2-10 to include subject matter that is additionally distinguishable from the art of record, Appellant will specifically address that which is patentably distinct above and beyond the allowability of the claims pursuant to the chain of dependency.

Claims Dependent on Claim 1

The Examiner did not address the specific limitations of the dependent claims and, therefore, did not establish a *prima facie* case for obviousness. The Examiner must not only show that the reference teaches or suggests each and every element of the claimed invention, but also provide “a convincing line of reasoning as to why the

artisan would have found the claimed invention to have been obvious in light of the teachings of the references." MPEP §2142 quoting Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). By not addressing the majority of elements of claims 2-11, other than to state that they are rejected, Appellant believes the Examiner has not met the burden established. Furthermore, Appellant contends that these claims each contain subject matter that is patentably distinct from the art of record and require independent review.

Specifically, claim 2 calls for the "steps of performing a complete screening in order to authorize the potential customer to actually purchase products/services from the automated seller facility if the potential customer is so qualified, accepting the potential customer's offer to purchase products/services only if the potential customer passes the complete screening and thereby only entering into a contract with the potential customer once the seller is satisfied the potential customer is qualified to purchase the product/services, and declining the potential customer's offer to purchase if the potential customer is not qualified by the seller." Emphasis added.

As stated, the Examiner failed to address the specific elements of claim 2. Furthermore, the Examiner has failed to show how or where de Prins teaches or suggests the specific steps of (1) accepting an offer to purchase if the customer passes the complete screening (2) thereby entering into a contract (3) once the seller is satisfied that the potential customer is qualified or (4) declining the potential customer's offer. Rather, as acknowledged by the Examiner, de Prins fails to teach or suggest "making an offer to purchase products/services from the automated seller facility." Therefore, the Examiner has failed to provide any basis for the rejection of claim 2 other than Official Notice that "it is common knowledge to provide for automated contracts comprising offers/acceptances over a computer network." However, claim 2 calls for more than just "automated contracts comprising offers/acceptances over a computer network." That is, claim 2, in part, calls for the steps to achieve "automated contracts comprising offers/acceptances over a computer network," including a process for determining whether to accept or decline an offer. The Examiner has failed to address each and every element of the claimed invention, let alone show that such is taught. Furthermore, the Examiner has failed to provide a convincing line of reasoning as to why the artisan would

have found the claimed invention to have been obvious in light of the teachings of the reference, as required under MPEP § 2142. As such, the Examiner has failed to establish a *prima facie* case of obviousness and the rejection of claim 2 is therefore not sustainable.

Regarding claim 3, the Examiner again neglected to address each and every element of the claim. Rather, the Examiner rejected the claim without analysis of the elements. Claim 3, in part, adds the step of “receiving an existing account number and providing a pre-populated user interface in response thereto having existing customer data therein, and requiring verification of the existing data by the potential customer, thereby bypassing the initial screening step.” On the other hand, the very section of de Prins cited by the Examiner in rejecting claims 1-23 teaches away from such by stating that “changes and inquiries can be made by the system personnel.” Col. 50, lns. 53-54, emphasis added. Therefore, de Prins is clear that system personnel, not potential customers, must verify and/or change existing data. Furthermore, de Prins does not teach any process whereby the entry of customer data into the member file, i.e. the initial screening step identified by the Examiner, may be bypassed.

Again, MPEP §2142 is clear that in order to establish a *prima facie* case of obviousness, the Examiner must show that the art of record teaches or suggests each and every element of the claims. However, de Prins fails to teach the elements addressed above. As such, the Examiner’s assertion of obviousness is overcome and claim 3 is patentably distinct from the art of record.

Regarding claim 4, the Examiner again failed to address each and every element of the claim. Claim 4, in part, adds “periodically querying accuracy of customer data from the existing customers.” While de Prins does teach that “changes and inquiries can be made by the system personnel” because the program of de Prins “allows the system personnel to make changes to the member records,” de Prins does not teach that such information is periodically queried for accuracy. Col. 50, lns. 53-57. That is, de Prins teaches that member records may be edited, but fails to teach that the member records are periodically queried for accuracy of customer data. As such, claim 4 is patentably distinct from the art of record.

Regarding claim 5, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 5 as required by MPEP §2142. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness. Appellant believes claim 5 is patentably distinct over the art of record.

Regarding claim 6, the Examiner again failed to address each and every element of the claim. Claim 6, in part, calls for “sending the account number, together with a password, and an electronic contract to the potential customer after the potential customer has passed the initial screening.” As previously shown, the Examiner’s Official Notice that “it is common knowledge to provide for automated contracts comprising offers/acceptances over computer networks” has been traversed, is inappropriate, and is unsustainable under the MPEP. Office Action of September 16, 2003, pg. 3, ¶ 1. No valid support has been provided by the Examiner. Furthermore, the assertion is inconsistent with de Prins. That is, de Prins is specifically drawn to “computer controlled rental and sales systems for video movies and video cassette players for supermarkets and the like.” Col. 1, lns. 10-13. Appellant believes that electronic contracting for goods and services is inconsistent with “supermarkets and the like.” That is, “supermarkets and the like” are designed specifically to effectuate a complete sale and not to contract for sales or service. Furthermore, Appellant questions why a supermarket would include any form of electronics contracting. This seems to be counter-intuitive to any form of supermarket shopping that Appellant is aware of. Simply, Appellant does not believe “it is common knowledge to provide for automated contracts comprising offers/acceptances over computer networks.” As such, claim 6 is patentably distinct from the art of record.

Regarding claim 7, the Examiner again failed to address each and every element of the claim. Claim 7, in part, adds “segregating products/services into restricted and unrestricted product categories within the automated seller facility.” However, de Prins teaches away from the automated seller facility including restricted and unrestricted products. Rather, de Prins is clear that the automated seller facility include only restricted products. While de Prins might be interpreted as having a form of

segregation of restricted products (e.g. VCRs, tapes) and unrestricted products (e.g. general supermarket goods: apples, oranges, etc.) the segregation is not “within the automated seller facility.” Referring to Fig. 3 and the accompanying text, de Prins teaches that the automated seller facility (304) be installed within a traditional retail establishment, such as a supermarket (302). Col. 19, lns. 32-60. de Prins teaches that the supermarket (302) includes unrestricted products traditionally available at supermarkets, whereas the automated seller facility (304) includes the restricted products. As is clearly indicated in Fig. 3, the automated seller facility (304) is segregated (314) within the manual seller facility or supermarket (302). Therefore, while de Prins teaches that the supermarket (302) includes unrestricted products and, by incorporating the automated seller facility (304), includes restricted products, the automated seller facility (304) only includes restricted products. As such, de Prins teaches away from “segregating products/services into restricted and unrestricted product categories within the automated seller facility” and instead teaches segregating products/services into restricted and unrestricted product categories within the manual or supermarket seller facility.

Additionally, claim 7, in part, calls for clearing “any red flags, such as inconsistent billing and shipping addresses.” Again, de Prins teaches away from that which is claimed because de Prins is specifically drawn to traditional brick-and-mortar retailers, such as supermarkets. Col. 1, lns. 8-13. Again, as clearly shown in Fig. 3, de Prins teaches that the automated seller facility (304) be incorporated in traditional brick-and-mortar retailers, such as the supermarket (302), that include manual check-outs (306', 306", 306"', 306'''). Nowhere does de Prins teach or suggest the use of shipping addresses let alone the checking thereof. Simply, Appellant does not believe the retention and checking of shipping addresses is consistent with such traditional brick-and-mortar retailers that include check-outs, and particularly supermarkets to which de Prins is specifically drawn. Therefore, there is no need for de Prins to check for address inconsistencies. Accordingly, Appellant believes the Examiner has failed to establish a *prima facie* case of obviousness and that claim 7 is patentably distinct from the art of record.

Regarding claim 8, the Examiner again failed to address each and every element of the claim. Claim 8, in part, adds that the restricted product category includes “at least one of: medical equipment, product/service information pertaining to medical equipment, and medical equipment service.” As previously stated, de Prins is specifically drawn to traditional brick-and-mortar retailers, such as supermarkets. Appellant does not believe that the sale of “medical equipment, product/service information pertaining to medical equipment, and medical equipment service” is consistent with the supermarket transactions to which de Prins is directed. Further, medical equipment, product/service information pertaining to medical equipment, and medical equipment service include unique requirements. Specifically, as stated on page 1, paragraphs 6 through page 2, paragraph 1 of the specification, medical equipment requires special/unique handling that de Prins does not teach or suggest and the Examiner has not proffered any support to disregard Appellant’s contention. Accordingly, Appellant believes that claim 8 is patentably distinct over the art of record.

Regarding claim 9, the claim, in part, adds including “a method of payment with an offer to purchase.” As previously acknowledged by the Examiner, de Prins does not teach or suggest offers to purchase. Rather, the Examiner relied upon Official Notice, which Appellant has already shown to be improper and unsustainable. As such, Appellant believes the Examiner has failed to establish a *prima facie* case of obviousness, and that claim 9 is patentably distinct over the art of record.

Regarding claim 10, the Examiner did not address the limitations found in the claim. Claim 10, in part, calls for the complete screening to include “checking whether the potential customer has changed any terms and conditions defined by the seller in an offer to purchase products/services, and if so, ensuring that such changes are satisfactory to the seller.” Again, the Examiner has completely failed to provide a basis of rejection of claim 10. As acknowledged by the Examiner, de Prins does not teach that which is claimed. Rather, the Examiner relied upon Official Notice, which Appellant has already shown to be improper and unsustainable.

Furthermore, de Prins teaches away from that which is claimed. That is, Appellant believes “supermarkets and the like” are designed specifically to effectuate a complete sale and not to contract for sales or service. Appellant is unaware of any supermarket that negotiates terms and conditions of supermarket goods. As such, Appellant believes it is not common for potential customers visiting a supermarket to be presented with “terms and conditions” of a sale.

Nevertheless, assuming *arguendo* that such “terms and conditions” could be associated with a supermarket sale, Appellant does not believe that the potential customer is permitted to modify or change any of the “terms and conditions.” That is, Appellant believes that traditional retail sales or rental agreements that may include “terms and conditions,” may not be modified by the potential customer. As such, any such system drawn to traditional retail sales and/or rental transactions would not include checking “whether the potential customer has changed any terms and conditions in the product/service order.”

Therefore, Appellant believes the Examiner has failed to establish a *prima facie* case of obviousness. Accordingly, Appellant believes claim 10 is patentably distinct over the art of record.

Regarding claim 11, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 11 even though MPEP §2142 is explicit that a proper rejection must cover each and every element of the claim. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness. Appellant believes claim 11 is patentably distinct over the art of record.

Independent Claim 12

Regarding claim 12, the Examiner also failed to address the specific limitations of the claim. That is, claim 12 was included in the Examiner’s rejection of claims 1-23 and addressed in the general remarks stated above. However, the Examiner did not specifically address the elements of claim 12. As such, Appellant incorporates herein the relevant remarks heretofor.

Furthermore, claim 12 clearly calls for “a complete screening while simultaneously allowing the potential customer to place a product/service order.” On the other hand, de Prins teaches that any “complete screening” be conducted before the customer is permitted to access the cabinets. *See* col. 13, lns. 4-24. That is, de Prins teaches and the Examiner asserted that the customer must undergo a first screening (2710) to gain an account number or PIN after which the customer must pass a second screening to actually gain access to the automated seller facility (304) and the cabinetry secured securing the restricted items. *See* Office Action of September 16, 2003, pg. 2, ¶ 3, and de Prins: Fig. 3, col. 13, lns. 4-24 and col. 50, lns. 1-34. As such, while de Prins does teach multiple screenings, de Prins does not teach or suggest “a complete screening while simultaneously allowing the potential customer to place a product/service order,” as called for in claim 12.

For all of these reasons, Appellant believes the Examiner has failed to meet the burden of establishing a *prima facie* case of obviousness. Accordingly, Appellant believes claim 12 is patentably distinct over the art of record.

Claims Dependent on Claim 12

Regarding claim 13, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 13. Claim 13, in part, adds specific circumstances under which an offer to purchase will be accepted. Unlike many offers to sell where the seller provides the price and all necessary information such that the buyer only needs to accept the seller's offer, claim 13 specifies that the buyer is merely providing a purchase offer to the seller, and specifies that the purchase offer is only accepted after the complete screening indicates that the potential customer is authorized. However, as acknowledged by the Examiner, “de Prins does not disclose making an offer to purchase products/services for the automated seller facility.” Office Acton of September 16, 2003, pg. 2, ¶ 3. Furthermore, as previously shown, the Examiner's use of Official Notice was improper and unsustainable. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness and claim 13 is patentably distinct.

Regarding claim 14, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 14. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness. Appellant believes claim 14 is clearly patentably distinct over the art of record.

Regarding claim 15, the claim, in part, specifies that an “authorized buyer” is a licensed health care professional, those that employ licensed health care professionals, or authorized health care distributors, in order to purchase from the restricted category. These are the types of “potential customers” that can be “qualified” in the initial screening. *de Prins* does not teach or suggest that a potential customer must be one of a specific criteria to purchase from a restricted category. The Examiner has completely failed to address the specific categorization of potential customers called for in claim 15.

Furthermore, Appellant believes that such categorization of customers into groups of customers with specific professional credentials is inconsistent with the system of *de Prins*, which is specifically directed to be incorporated within a supermarket or video rental store. Col. 1, lns. 11-14. Appellant does not believe that supermarkets are known to discriminate buyers based upon the professional credentials of the customer. Therefore, the Examiner has again failed to establish a *prima facie* case of obviousness. Accordingly, Appellant believes claim 15 is clearly patentably distinct over the art of record.

Regarding claim 16, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 16. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness under MPEP §2142, which requires that the art of record teach or suggest each and every element of the claim. As such, Appellant believes claim 16 is patentably distinct over the art of record.

Claim 17, in part, calls for the complete screening to include checking “whether the potential customer has changed any terms and conditions in the product/service order.” As previously shown with respect to claim 6, *de Prins* is specifically drawn to “computer controlled rental and sales systems for video movies and video cassette

players for supermarkets and the like.” Col. 1, Ins. 10-13. de Prins fails to teach any such “terms and conditions” associated with the complete screening. Furthermore, Appellant believes “supermarkets and the like” are designed specifically to effectuate a complete sale and not to contract for sales or service. As such, Appellant believes it is not common for potential customers visiting a supermarket to be presented with “terms and conditions” of a sale.

Nevertheless, assuming *arguendo* that such “terms and conditions” could be associated with a supermarket sale, Appellant does not believe that the potential customer is permitted to modify or change any of the “terms and conditions.” That is, Appellant believes that traditional retail sales or rental agreements that may include “terms and conditions,” may not be modified by the potential customer. As such, any such system drawn to traditional retail sales and/or rental transactions would not include checking “whether the potential customer has changed any terms and conditions in the product/service order.”

Therefore, for all of the above reasons, Appellant believes claim 17 is patentably distinct from the art of record. Specifically, the Examiner has again completely failed to establish a *prima facie* case of obviousness and the art of record teaches away from that which is claimed. As such, Appellant believes claim 17 is patentably distinct over the art of record.

Independent Claim 18

Regarding claim 18, the Examiner failed to address each and every element of this independent claim. Appellant incorporates herein, the relevant remarks with respect to claims 1 and 12. Specifically, the Examiner has failed to establish a *prima facie* case of obviousness. That is, as previously shown, the Examiner’s Official Notice was both improper under the MPEP and unsustainable in light of Appellant’s remarks.

Furthermore, the Examiner has failed to show that de Prins teaches or suggests each and every element of the claimed invention. Claim 18, in part, calls for “a complete screening while the potential customer is allowed further access to the automated seller facility to place an offer to purchase a products/services.” On the other hand, de Prins teaches that any “complete screening” be conducted before the customer is permitted to

access the cabinets. *See* col. 13, lns. 4-24. That is, de Prins teaches and the Examiner asserted that the customer must undergo a first screening (2710) to gain an account number or PIN after which the customer must pass a second screening to actually gain access to the automated seller facility (304) and the cabinetry secured securing the restricted items. *See* Office Action of September 16, 2003, pg. 2, ¶ 3, and de Prins: Fig. 3, col. 13, lns. 4-24 and col. 50, lns. 1-34. As such, while de Prins does teach multiple screenings, de Prins does not teach or suggest that which is claimed.

Additionally, the Examiner has failed to provide a convincing line of reasoning as to why one of ordinary skill in the art would have found the claimed invention obvious in light of the teachings of the references. For all of the above-stated reasons, Appellant believes claim 18 is clearly patentably distinct over the art of record.

Further, claim 18 calls for a network-based system that includes an automated seller facility having a supplier network of computers that includes a first tier computer system programmed to perform certain acts, and a second tier computer system programmed to perform certain other acts. The Examiner has not provided any reasoning, let alone a convincing line of reasoning, as to why one of ordinary skill in the art would have found this claimed invention obvious in light of the teachings of the only remaining reference applied.

Claims Dependent on Claim 18

Claim 19, in part, adds that “the second tier computer system is programmed to determine whether the products/services that the potential customer offers to purchase are from the restricted product category.” The Examiner failed to address this or any specific element of claim 19. However, de Prins teaches away from that which is claimed.

As previously discussed, referring to Fig. 3, de Prins teaches that the automated seller facility (304) be installed within a traditional retail establishment, such as a supermarket (302). Col. 19, lns. 32-60. de Prins teaches that the supermarket (302) includes unrestricted products traditionally available at supermarkets whereas the automated seller facility (304) includes the restricted products. However, de Prins is clear that “the checkout counter acts as the control point” to review the products being

purchased. Col. 19, Ins. 64-65. That is, de Prins teaches that the manual checkout counter and not the “second tier computer system” determines “whether the products/services that the potential customer offers to purchase are from the restricted product category.” Therefore, the Examiner has again failed to establish a *prima facie* case of obviousness and, therefore, Appellant believes claim 19 is patentably distinct from the art of record.

Claim 20, in part, adds that the restricted product category includes at least one of medical equipment and product/service information pertaining to medical equipment, and the authorized buyer to include licensed health care professionals, those employing licensed health care professionals, and authorized health care distributors. As previously shown, de Prins fails to teach or suggest product categorization including medical equipment and product/service information pertaining thereto. Furthermore, as shown with respect to claim 15, Appellant believes that de Prins teaches away from categorizing and restricting potential customers. That is, Appellant believes that such categorization of customers into groups of customers with specific professional credentials, such as licensed health care professionals, those employing licensed health care professionals, or authorized health care distributors, is inconsistent with a system specifically directed to be incorporated within a supermarket or video rental store. Col. 1, Ins. 11-14. Therefore, the Examiner has again failed to establish a *prima facie* case of obviousness and, therefore, Appellant believes claim 20 is patentably distinct from the art of record.

Regarding claim 21, the Examiner failed to address each and every element of the claim. In fact, the Examiner never specifically addressed any element of claim 21. Therefore, the Examiner has failed to establish a *prima facie* case of obviousness. Appellant believes claim 21 is clearly patentably distinct over the art of record.

Claim 22, in part, calls for “the second tier computer system [to be] a globally-accessible computer network having global and regional processing centers.” The Examiner entirely failed to address this element of the claim. de Prins does not teach “a globally-accessible computer network having global and regional processing centers.” In fact, de Prins teaches away from “a globally-accessible computer network

having global and regional processing centers.” That is, the system of de Prins is explicitly tailored to be installed in a supermarket or video rental store. Col. 1, lns. 8-13. As such, Appellant believes that traditional brick-and-mortar retailers, such as supermarkets, do not include “a globally-accessible computer network having global and regional processing centers.” Therefore, the Examiner has again failed to establish any *prima facie* case of obviousness and Appellant asserts that claim 22 is patentably distinct over the art of record.

Claim 23, in part, specifies that the seller defined terms and conditions pertaining to a sale and a second tier computer system to determine “whether the potential customer has changed any of the terms and conditions, and if so, take[] action to ensure such changes are satisfactory to the seller.” As previously shown with respect to claims 10 and 17, de Prins does not teach or suggest that the potential customer be presented with “terms and conditions,” and is inconsistent from allowing the potential customer to change or modify any such “terms and conditions.”

Specifically, de Prins teaches away from that which is claimed. That is, Appellant believes “supermarkets and the like” are designed specifically to effectuate a complete sale and not to contract for sales or service. As such, Appellant believes it is not common for potential customers visiting a supermarket to be presented with “terms and conditions” of a sale.

Nonetheless, assuming *arguendo* that such “terms and conditions” could be associated with a supermarket sale, Appellant does not believe that the potential customer is permitted to modify any of the “terms and conditions.” Simply, Appellant believes that traditional retail sales or rental agreements that may include “terms and conditions,” may not be modified by the potential customer. As such, any such system drawn to traditional retail sales and/or rental transactions would not include checking “whether the potential customer has changed any terms and conditions in the product/service order.”

Therefore, the Examiner has failed to establish a *prima facie* case of obviousness. As such, Appellant believes claim 23 is patentably distinct over the art of record.

Conclusion of Arguments:

The Examiner took Official Notice that "it is common knowledge to provide for automated contracts comprising offers/acceptances over a computer network." Office Action of September 16, 2003, pg. 2, ¶ 4. However, the Official Notice was improper under MPEP § 2141.01, inconsistent with the teachings of the art of record, and unsustainable in light of Appellant's remarks. Furthermore, claims 1-23 are patentably distinct over de Prins. de Prins does not teach, or even suggest the elements of the claimed invention and the Examiner did not provide "a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references." MPEP §2142 citing Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). Therefore, since claims 1-23 are patentably distinct over the art of record, Appellant respectfully requests allowance of claims 1-23.

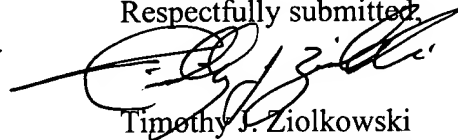
9. CONCLUSION

In view of the above remarks, Appellant respectfully submits that the Examiner has provided no supportable position or evidence that claims 1-23 are obvious under §103(a). Accordingly, Appellant respectfully requests that the Board find claims 1-23 patentable over the prior art of record and withdraw all outstanding rejections.

General Authorization for Extension of Time

In accordance with 37 C.F.R. §1.136, Appellant hereby provides a general authorization to treat this and any future reply requiring an extension of time as incorporating a request therefore.

Respectfully submitted,



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10. **APPENDIX OF CLAIMS ON APPEAL**

1. A method of screening a potential customer and assigning an account number to the potential customer over a computer network, the method comprising the steps of:

providing a user interface for a potential customer to access an automated seller facility, the access taking place over a computer network, the user interface allowing the customer to enter customer data for qualification by checking by a seller;

receiving the customer data from the customer in the automated seller facility via the user interface and over the computer network;

performing an initial screening of the potential customer to determine whether the potential customer is qualified to purchase products/services from the seller; and

issuing an account number if the potential customer passes the initial screening, thereby allowing the potential customer further access to the automated seller facility to make an offer to purchase products/services from the automated seller facility while the automated seller facility performs a complete screening.

2. The method of claim 1 further comprising the steps of performing a complete screening in order to authorize the potential customer to actually purchase products/services from the automated seller facility if the potential customer is so qualified, accepting the potential customer's offer to purchase products/services only if the potential customer passes the complete screening and thereby only entering into a contract with the potential customer once the seller is satisfied the potential customer is qualified to purchase the product/services, and declining the potential customer's offer to purchase if the potential customer is not qualified by the seller.

3. The method of claim 1 further comprising the steps of receiving an existing account number and providing a pre-populated user interface in response thereto

having existing customer data therein, and requiring verification of the existing customer data by the potential customer, thereby bypassing the initial screening step.

4. The method of claim 1 further comprising the step of periodically querying accuracy of customer data from existing customers, and updating a database if any changes are found.

5. The method of claim 4 wherein the customer data comprises information provided by the potential customer during a previous transaction with the seller, the seller having stored the information in the database.

6. The method of claim 1 further comprising the step of sending the account number, together with a password, and an electronic contract to the potential customer after the customer has passed the initial screening.

7. The method of claim 1 further comprising the steps of segregating products/services into restricted and unrestricted product categories within the automated seller facility and wherein the initial screening comprises determining whether the potential customer is an authorized buyer of products from the restricted product category, and checking the customer data to clear any red flags, such as inconsistent billing and shipping addresses.

8. The method of claim 7 wherein the restricted product category includes at least one of: medical equipment, product/service information pertaining to medical equipment, and medical equipment service.

9. The method of claim 1 wherein the complete screening comprises clearing any red flags, including checking whether the potential customer has included a method of payment with an offer to purchase products/services, and if so, determining whether the method of payment is an authorized method of payment for that customer.

10. The method of claim 1 wherein the complete screening comprises checking whether the potential customer has changed any terms and conditions defined by the seller in an offer to purchase products/services, and if so, ensuring that such changes are satisfactory to the seller.

11. The method of claim 1 wherein the user interface includes a plurality of required fields and wherein the method further includes the step of confirming that each required field in the user interface has been completed, and if not, restricting access by the potential customer until all required fields are complete.

12. A computer readable medium having stored thereon a computer program which, when executed by one or more computers, causes the one or more computers to:

acquire customer information at an automated seller facility from a potential customer through a user interface;

perform an initial screening of the potential customer;

issue an account number if the potential customer passes the initial screening, the account number allowing the potential customer to further access the automated seller facility; and

conduct a complete screening while simultaneously allowing the potential customer to place a product/service order.

13. The computer program on the computer readable medium of claim 12 wherein the product/service order is a purchase offer in which the potential customer offers to purchase products/services, and wherein an acceptance of the purchase offer occurs only after the complete screening of the potential customer indicates that the potential customer is authorized to purchase the products/services.

14. The computer program on the computer readable medium of claim 12 wherein the automated seller facility has unrestricted and restricted product categories, the unrestricted product category comprising products/services which may be purchased

by a general group of buyers, and the restricted product category comprising products/services pertaining to medical equipment.

15. The computer program on the computer readable medium of claim 14 wherein the potential customer must be an authorized buyer of restricted product category products/services, and is further defined to include licensed health care professionals, those entities that employ licensed health care professionals, and authorized health care distributors.

16. The computer program on the computer readable medium of claim 12 wherein the computer screening comprises clearing any red flags, including at least checking whether the authorized potential customer has provided a method of payment with the product/service order, and if so, checking whether the method of payment is an authorized method of payment.

17. The computer program on the computer readable medium of claim 12 wherein the completed screening comprises at least checking whether the potential customer has changed any terms and conditions in the product/service order, and if so, ensuring that such changes are satisfactory to the seller.

18. A network-based system for screening a potential customer and assigning an account number to the potential customer comprising:

an automated seller facility having a supplier network of computers including:

a first tier computer system programmed to:

receive customer data from a customer accessible computer;

confirm that the customer data is complete;

initially screen the potential customer to allow further access;

issue an account number if the potential customer is determined qualified wherein the potential customer is allowed further access to the automated seller facility; and

a second tier computer system programmed to receive the customer data from the first tier computer system and perform a complete screen of the potential customer while the potential customer is allowed further access to the automated seller facility to place an offer to purchase products/services from the automated seller facility.

19. The network-based system of claim 18 wherein the automated seller facility has unrestricted and restricted product categories, and wherein the second tier computer system is programmed to determine whether the products/services that the potential customer offers to purchase are from the restricted product category, and if so, the second tier computer system is further programmed to check the potential customer is an authorized buyer of such restricted products/services.

20. The network-based system of claim 19 wherein the restricted product category comprises at least one of: medical equipment and product/service information pertaining to medical equipment, and the authorized buyer is further defined to include licensed health care professionals, those employing licensed health care professionals, and authorized health care distributors.

21. The network-based system of claim 18 wherein the complete screening comprises clearing any red flags, including checking whether an authorized potential customer has identified a method of payment and determining whether the method of payment is an authorized method of payment.

22. The network-based system of claim 18 wherein the second tier computer system is a globally-accessible computer network having global and regional processing centers.

23. The network-based system of claim 18 wherein the seller defines terms and conditions pertaining to a sale of products/services to the potential customer, and wherein the second tier computer system determines whether the potential customer has

changed any of the terms and conditions, and if so, takes action to ensure such changes are satisfactory to the seller.